

SENATE BILL 2714

By Kyle

AN ACT to amend Tennessee Code Annotated, Title 4;  
Title 12, Chapter 4 and Title 50, relative to wages.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 50, Chapter 2, Part 1, is amended by adding the following as a new section:

(a) As used in this section:

(1) "Consumer price index" means the consumer price index (all items – United States city average), as published by the United States department of labor, bureau of labor statistics;

(2) "Department" means the department of labor and workforce development;

(3) "Employee" means an individual:

(A) Born or naturalized in the United States, subject to its jurisdiction, and employed by an employer; or

(B) Legally present in this country and employed by an employer;

(4) "Employer" means an individual, partnership, association, corporation, business trust, legal representative, or organized group of persons, not involved in interstate commerce, acting directly or indirectly in the interest of an employer in relation to an employee;

(5) "Living wage" means a minimum wage; and

(6) "Wages" means compensation paid to an employee in the form of legal tender of the United States or checks or drafts on banks negotiable into cash on demand or upon acceptance at full value.

(b)

(1) The department shall establish by rule a living wage for the state in an amount commensurate with the cost of living.

(2) The living wage must be examined annually by the department and increased to an amount commensurate with the cost of living, if the living wage in effect is not commensurate with the cost of living. The department shall utilize the consumer price index annual percentage in making this determination.

(c) An employer shall pay each employee in this state wages at an hourly rate not less than the living wage established pursuant to subsection (b). Notwithstanding this subsection (c), an employer shall not pay an employee in this state less than one and one-half (1.5) times the regular wage rate for work done by the employee in excess of forty (40) hours during a work week.

(d)

(1) An employer who violates the living wage requirements of this section is liable to the employee affected for the amount of unpaid wages. Upon a judgment being rendered in favor of an employee in a cause of action brought in a court of competent jurisdiction to recover unpaid wages, the judgment must include, in addition to the unpaid wages adjudged to be due, an amount equal to those wages as damages. In addition to a judgment awarded to the employee, the court shall require the employer to pay court costs and reasonable attorney's fees incurred by the employee.

(2) A cause of action to recover damages pursuant to this section must be instituted within two (2) years from the date the wages were due, except in a case where the court finds the employer willfully violated this part, then the cause of action to recover damages must be instituted within three (3) years.

(e) Employees excluded pursuant to 29 U.S.C. § 213 are exempt from this section to the same extent those employees are exempt under that federal law.

(f) The department is authorized to promulgate rules to effectuate this section. The rules must be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 2. If a provision of this act or its application to a person or circumstance is held invalid, then the invalidity does not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end, the provisions of this act are severable.

SECTION 3. For purposes of promulgating rules, this act takes effect upon becoming a law, the public welfare requiring it. For all other purposes, this act takes effect January 1, 2023, the public welfare requiring it.